

REMARKS

This Response is in reply to the Office Action mailed on June 7, 2006. Claims 1 and 3 are pending, claim 3 is newly added. Support for claim 3 can be found in the specification and the figures, as it is clear that the system functions without a gateway module. No new matter has been added. Entry and consideration of the amendments and following remarks is respectfully requested.

Claim 1 stands rejected under 35 U.S.C. 102(e) as anticipated by Kiko (U.S. Patent No. 7,003,102). The rejection is respectfully traversed.

Claim 1 requires that the system uses the electrical power supply and buses from the analogical telephone line itself without using an external power supply or independent wiring. In contradistinction, Kiko clearly uses an external power supply and does not rely solely on the electrical power supply and buses from the telephone line. The Kiko system, in contrast to the claimed invention, uses a supplemental external power supply to provide enough energy to the internal telephone net (See Line Power Converter Unit 204 of Figure 2). Also, in the description of the method of installation taught by Kiko it is clear that an alternate power supply to the phone line is preferable (col. 12, lines 20-26). Accordingly, Kiko does not anticipate the claimed invention.

Regarding newly added claim 3, the claim is patentable since it depends from claim 1. Claim 3 is further distinguishable over the prior art in that it explicitly recites that the claimed system does not need a gateway module and can function simply by installing the devices on the phone line. The simplicity and efficiency of the claimed system in its ability to provide a

network using existing infrastructure separates it from the prior art. Accordingly, claim 3 is also patentable.

In view of the arguments presented above, Examiner is requested to reconsider the rejection.

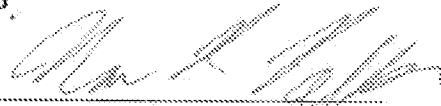
CONCLUSION

In view of the arguments presented above, it is submitted that the Examiner's rejections have been overcome and should be withdrawn. The application should now be in condition for allowance.

Should any changes to the claims and/or specification be deemed necessary to place the application in condition for allowance, the Examiner is respectfully requested to contact the undersigned to discuss the same.

This Response is being filed with a Petition for a two-month extension of time. In the event that any other extensions and/or fees are required for the entry of this Amendment, the Patent and Trademark Office is specifically authorized to charge such fee to Deposit Account No. 23-2820 in the name of WOLF, BLOCK, SCHORR & SOLIS-COHEN LLP. An early and favorable action on the merits is earnestly solicited.

Respectfully submitted,
WOLF, BLOCK, SCHORR & SOLIS-COHEN
LLP.

By: 
Noam R. Pollack
Reg. No. 56,829

Wolf, Block, Schorr & Solis-Cohen LLP
250 Park Avenue, 10th Floor
New York, New York 10177
(212) 986-1116